

REMARKS

In the Office Action¹, the Examiner rejected claims 1-7, 9-15, 17-37, 39-45, 47-69, 71-73, 75-90, and 138-157 under 35 U.S.C. § 103(a) as unpatentable over U.S. Patent No. 5,949,877 to *Traw* et al. ("*Traw*").

I. The Rejection of Claims 1-7, 9-15, 17-37, 39-45, 47-69, 71-73, 75-90, and 138-157 under 35 U.S.C. § 103(a)

Applicants respectfully traverse the rejection of claims 1-7, 9-15, 17-37, 39-45, 47-69, 71-73, 75-90, and 138-157 under 35 U.S.C. § 103(a) for the following reasons:

A. The Office Action Improperly Fails to Cite With Particularity to the Art

Applicants respectfully refer the Examiner to M.P.E.P. § 706.02(j), which states that the examiner should set forth "the relevant teachings of the prior art relied upon, preferably with reference to the relevant column or page number(s) and line number(s)" (emphasis added). Moreover, 37 C.F.R. § 1.104(c)(2) states, "when a reference is complex or shows or describes other inventions other than that claimed by applicant, the particular part relied on must be designated as nearly as practicable" (emphasis added).

First, Applicants note that the rejection is under 35 U.S.C. § 103(a), and the Examiner concedes that *Traw* does not teach or suggest every element of the claims (Office Action at p. 3). Therefore, *Traw* necessarily "describes other inventions other than that claimed by applicant," and the Office Action must designate the relied upon parts of the references "as nearly as practicable."

¹ The Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statement is identified herein, Applicants decline to automatically subscribe to any statement or characterization in the Office Action.

The Office Action does not do so. Indeed, the Office Action merely sets forth a one paragraph description of the *Traw* reference, without even applying the cited portions of the reference to the language of the independent claims. To the limited extent that the Office Action cites with particularity to the art, the Office Action does not do so with any reference to the claims at issue. This failure to cite with particularity to *Traw* is clearly in contravention of the requirements of 37 C.F.R. § 1.104.

As discussed above, the outstanding Office Action fails to cite to *Traw* with the particularity required by 37 C.F.R. § 1.104. Accordingly, Applicants respectfully request that the Examiner either allow the claims, or mail a new non-final Office Action that complies with 37 C.F.R. 1.104.

B. The Office Action Improperly Fails to Address the Recitations of the Claims

37 C.F.R. § 1.104(c)(2) also states that “[t]he pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified” (emphasis added). As discussed above, the Office Action does not even address the recitations of the independent claims, or apply *Traw* to these recitations. Further, the Office Action fails to even mention the subject matter of the dependent claims. The Office Action merely indicates that all of the claims are rejected, without applying the *Traw* reference to the claims to the recitations of the claims.

As the Office Action is entirely absent of any application of the *Traw* reference to the recitations of the claims, the Office Action clearly fails to comply with 37 C.F.R. 1.104. For this additional reason, Applicants respectfully request that the Examiner either allow the claims, or mail a new non-final Office Action that complies with 37 C.F.R. 1.104.

C. The Office Action Improperly Relies on Official Notice

The Office Action concedes that *Traw* does not disclose “the structure and arrangement of data stored within the compliant devices,” yet rejects every claim under 35 U.S.C. § 103(a) based solely on *Traw* (Office Action at p. 3). The Office Action does not remedy the deficiencies of *Traw* by citing to a reference. Instead, the Office Action merely states that “it would have been an obvious matter of design choice to modify the data storing structure of *Traw* reference to contain security module and storage area distinctly from one another” (Office Action at p. 3). Thus, the Office Action concedes that *Traw* fails to disclose or suggest all of the recitations of the claims, while relying solely on *Traw* to support the 35 U.S.C. § 103(a) rejection.

Applicants respectfully refer the Examiner to M.P.E.P. § 2144.03, which states “It is never appropriate to rely solely on ‘common knowledge’ in the art without evidentiary support in the record” (emphasis added). Thus, merely alleging that the claims define a “design choice” does not relieve the Examiner of the obligation to support the rejection by reference to the factual record. Indeed, this is tantamount to a taking of Official Notice. The Office Action cannot remedy the deficiencies of *Traw* merely by alleging that the claimed invention is simply a design choice.

Therefore, Applicants respectfully traverse any such Official Notice, and submit that at least the claimed “portable data recording medium including ... a security module comprising a nonvolatile memory ... and a storage area distinct from the security module” is not common knowledge or well-known in the art. Further, Applicants note that M.P.E.P. § 2144.03 requires the Office Action to provide documentary evidence if the Official Notice is maintained.

D. *Traw* does not establish a prima facie case of obviousness

Independent claim 1, for example, recites a data transmitting system comprising, among other things, a “portable data recording medium including ... a security module comprising a nonvolatile memory ... and a storage area distinct from the security module.” *Traw* fails to teach or suggest at least the claimed portable data recording medium.

Traw discloses a method for protecting digital content from copying or other misuse when transferring the content between compliant devices over insecure links (*Traw*, abstract). *Traw*’s method works by distributing a “Certificate Revocation List” (CRL) from a license authority to various devices (*Traw*, col. 5, lines 37-42). *Traw* discloses implementing the method in compliant devices such as “traditional consumer electronics products including but not limited to DVD player/recorders, digital televisions, set top boxes, digital satellite services receivers, and similar products” (*Traw*, col. 2, lines 51-60).

Traw, however, does not disclose distributing the CRL on a portable data recording medium with a security module. Instead, *Traw* discloses using communications such as an IEEE 1394 bus between separate devices to distribute the CRL (*Traw*, col. 3, lines 25-34). While *Traw* discloses that other devices, such as disk drives, could be used to distribute the CRL, this passage of *Traw* merely contemplates using the disk drive itself, rather than a portable medium readable by the disk drive, to securely distribute the list (*Traw*, col. 3, lines 31-33). Although *Traw* discloses compliant media can also be used to distribute the CRL, *Traw* discloses doing so on media as manufactured (*Traw*, col. 6, lines 48-52) and not by incorporating a security

module with the media. Therefore, *Traw* does not teach or suggest the claimed "portable data recording medium including ... a security module comprising a nonvolatile memory ... and a storage area distinct from the security module" as recited by independent claim 1.

The Office Action states that the claimed invention would have been obvious in view of *Traw* "since the applicant has not disclosed that having the security module and storage area arranged as distinct units solves any stated problem" (Office Action at p. 3). Even assuming the Office Action is correct that Applicants have not disclosed a problem solved by the claimed invention, this is irrelevant to the question of whether *Traw* establishes a *prima facie* case of obviousness. Further, the allegation is simply incorrect. Pages 2-4 of Applicants' specification indicate that the invention overcomes at least certain deficiencies of the "MD" and "DVD" protection methods.

Although of different scope, independent claims 34 and 64 are distinguishable over the four cited references for at least the same reasons as claim 1. Claims 2-7, 9-15, 17-33, and 138-145 depend from claim 1, claims 35-37, 39-45, 47-63, and 146-153 depend from claim 34, and claims 65-69, 71-73, 75-90, and 154-157 depend from claim 64.

Because the cited references fail to teach or suggest each and every element recited by claims 1-7, 9-15, 17-37, 39-45, 47-69, 71-73, 75-90, and 138-157, no *prima facie* case of obviousness has been established with respect to these claims. Applicants therefore request the Examiner to withdraw the rejection of these claims under 35 U.S.C. § 103(a).

The dependent claims are further distinguishable from *Traw*. Claim 10, for example, recites “[t]he system as set forth in Claim 1, wherein the security module stores a revocation list of illegal drive units.” As discussed, *Traw* merely discloses exchanging a CRL between various consumer electronic devices. *Traw* does not disclose or suggest that the is stored in a security module of a portable data recording medium. Instead, *Traw* contemplates that the CRL is exchanged when a user actively connects one device to another, such as using a 1394 interface (*Traw*, col. 3, lines 30-34). Thus, *Traw*’s CRL is updated in a different manner than the revocation list of claim 10, because the revocation list of claim 10 is stored in a security module on a portable data recording medium and thus can be securely updated when a new medium is installed in the drive unit.

Traw suffers from the deficiency that only complete devices are equipped to securely exchange the CRL. As discussed, while *Traw* discloses compliant media can also be used to distribute the CRL, *Traw* discloses doing so on media as manufactured (*Traw*, col. 6, lines 48-52) and not by incorporating a security module. Thus, when *Traw*’s system distributes the CRL using media containing the CRL, noncompliant or revoked devices could simply read the CRL from the media due to the absence of a security module on the media itself. Accordingly, *Traw* fails to teach or suggest at least “wherein the security module stores a revocation list of illegal drive units,” as recited by independent claim 10.

Claim 24 recites a system “wherein the illegal unit revocation list includes ... a registration list identifying units that have not been revoked” (emphasis added). As discussed above, *Traw* discloses distributing a CRL. However, *Traw* merely discloses

that the CRL includes “devices whose compliance has been revoked” (*Traw*, col. 3, lines 38-40) (emphasis added). *Traw* does not disclose a list identifying devices that have not been revoked. Therefore, *Traw* does not teach or suggest “wherein the illegal unit revocation list includes ... a registration list identifying units that have not been revoked,” as recited by claim 24.

Claim 33 recites a system wherein “the security module reads data encrypted and stored in the portable data recording medium, decrypts the encrypted data with the content key, re-encrypts the decrypted data with a shared key and sends the re-encrypted data to the drive unit” (emphasis added). As discussed, while *Traw* discloses that compliant media can be used to distribute the CRL, *Traw* discloses doing so on media as manufactured (*Traw*, col. 6, lines 48-52). Conventional media lack a security module that can re-encrypt data read from the conventional media. Thus, *Traw*’s media do not “decrypt” and “re-encrypt” any data using a security module. Therefore, *Traw* does not teach or suggest the claimed “security module reads data encrypted and stored in the portable data recording medium, decrypts the encrypted data with the content key, re-encrypts the decrypted data with a shared key and sends the re-encrypted data to the drive unit” (emphasis added), as recited by dependent claim 33.

II. Conclusion

In view of the foregoing remarks, Applicants respectfully request reconsideration of this application and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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Dated: August 27, 2008

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